

Required Report: Required - Public Distribution

Date: October 02, 2026

Report Number: IN2026-0050

Report Name: Retail Foods Annual

Country: India

Post: New Delhi

Report Category: Retail Foods

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Report Highlights:

India's evolving trade and retail landscape creates new opportunities for U.S. food and agricultural products. The February 2026 U.S.-India interim trade agreement improves market access for tree nuts, fresh and processed fruits, wine, spirits, and other agricultural goods. This agreement builds on earlier tariff reductions that improved access for U.S. almonds, walnuts, and apples. At the same time, rapid growth in quick commerce is reshaping urban grocery shopping and expanding access to imported and premium foods. This report examines these market developments, key competitive pressures, and opportunities for U.S. suppliers created by changing trade conditions and retail channels.

Executive Summary:

In 2026, India's GDP reached \$4.15 trillion, making it the world's sixth-largest economy, with the top 10 percent holding 65 percent of national wealth. Rising incomes are driving demand for premium, imported, packaged, and value-added foods, creating a substantial market for U.S. products.

Consumer-Oriented Agricultural Imports

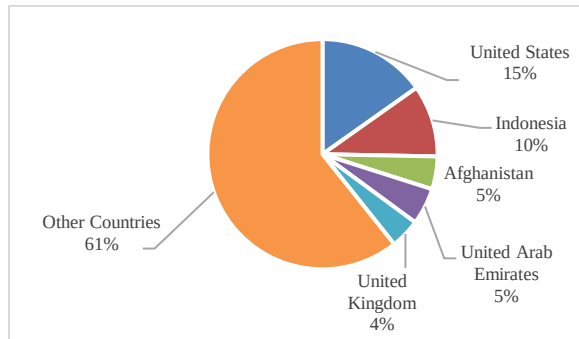


Chart 1: Top Exporting Countries to Country India

Food Retail Industry: Retail is shifting from traditional stores to concept stores, e-commerce, and quick-commerce dark stores, giving consumers more shopping options. Quick commerce is changing buying behavior and driving more frequent, impulse, and top-up purchases.

Food Processing Industry: Processors are expanding value-added, convenient, healthy, and premium foods to meet changing tastes. Tree nuts are moving beyond festive use into everyday snacking and wellness products, including flavored and processed formats.

Food Service Industry: Foodservice is becoming more delivery-led, with platforms such as Swiggy and Zomato driving online ordering. Cloud kitchens and delivery-only

brands are expanding alongside traditional restaurants.

Quick Facts CY 2026

Imports of Consumer-Oriented Products

\$ 9.96 billion

List of Top 10 Growth Products in India

Tree nuts	Fresh fruits
Soybean oil	Processed and dried fruits
Pulses	Essential oils
Sugar and sweeteners	Milk albumin, lactose, whey
Condiments and sauces	Chocolate and cocoa products

Food Industry by Channels (U.S. billion)

Retail Food Industry	\$889
Food Service-HRI	\$90
Food Processing	\$585
Food and Agriculture Exports	\$57

GDP/Population

Population (*millions*): 1.48 billion

GDP (*billions USD*): \$4.15 trillion

GDP per capita (*USD*): \$2,810

Sources: [IMF DataMapper](#)

Strengths	Weaknesses
Fast-growing digital retail and quick-commerce infrastructure expands access to imported foods.	Long shipping distances can reduce shelf life and raise logistics costs.
Opportunities	Threats
Rising demand for protein, functional, and clean-label foods.	Competing countries benefit from preferential market access through free trade agreements.

Section 1: Market Summary

India's food and grocery retail market is large, growing, and highly fragmented. Small local grocers remain the dominant channel, but supermarkets, hypermarkets, specialty stores, e-commerce, and quick commerce continue to expand. This creates a multi-channel market rather than a single national retail system. Rising incomes, urbanization, and changing consumer preferences are driving demand for greater variety, convenience, health-oriented foods, and premium products. Digital retail is expanding beyond major cities and helping imported and premium foods reach consumers in smaller and emerging urban markets. Euromonitor reports that India's total retail e-commerce sales reached about \$82 billion in 2025, while [Amazon Fresh](#), for example, has expanded to more than 270 Indian cities and offers over 40,000 products, including fresh, packaged and frozen foods. This expansion is increasing access to imported foods outside India's largest metropolitan areas.

The market offers opportunities for imported foods, but price, tariffs, regulations, and logistics remain important constraints. Consumers are increasingly buying ready-to-eat and ready-to-cook foods, snacks, beverages, and other convenient products. Demand is also growing for protein-rich, functional, clean-label, and premium foods. E-commerce and quick commerce are particularly useful for product discovery and specialty foods, while traditional stores will continue to dominate everyday grocery purchases. Over the next several years, growth in organized retail and digital channels should expand the range of imported foods available to Indian consumers. Competition from domestic brands, private labels, and other foreign suppliers will remain strong.

India's business climate reflects both liberalization and persistent regulatory complexity. Central government initiatives such as "Make in India" and "Self-Reliant India" encourage domestic manufacturing and can indirectly disadvantage imported foods through tariffs, local preferences, and promotional messaging. The strongest opportunities are products that offer a clear reason to pay a premium: quality, safety, authenticity, convenience, nutrition, provenance, or a flavor/format difficult to replicate locally.

India's major and fast-growing urban markets offer opportunities as modern retail, premium supermarkets, and digital grocery platforms expand. In North and Northeast India, priority markets include Delhi, Noida, Gurugram, Faridabad, Ghaziabad, Agra, Lucknow, Jaipur, Udaipur, Amritsar, Chandigarh, Ludhiana, Kolkata, Bhubaneswar, and Siliguri. In Central and South India, priority markets include Mumbai, Pune, Nagpur, Ahmedabad, Indore, Bengaluru, Hyderabad, Chennai, Kochi, Coimbatore, Mysuru, Visakhapatnam, and Goa.

In August 2026, Carrefour's re-entry into India is an important development for the organized food retail sector. Carrefour announced its partnership with Apparel Group to initially develop stores in North India and subsequently expand nationally. The strategy combines physical retail with e-commerce and locally sourced products. Carrefour's entry adds another major international retailer to India's increasingly competitive organized food market and could create additional opportunities for imported premium and specialty food products as its Indian network develops. Other retailers to monitor include LuLu, Food Square and FoodStories, and emerging premium-grocery formats, as well as continued expansion of quick-commerce platforms.

ADVANTAGES	CHALLENGES
Modern retail is expanding, with more hypermarkets adding shelf space dedicated to international gourmet sections.	The comprehensive U.S.-India Bilateral Trade Agreement is not yet finalized. Some tariff benefits under the February 2026 interim framework may be limited by quotas or could change during ongoing negotiations.
The rapid growth of e-commerce and quick commerce makes it easier for new U.S. brands to test products in the market.	Indian competitors often respond to market trends by introducing locally adapted versions of successful imported products.
Growing consumer preference for plant-based proteins, healthy tree nuts, and premium dried fruits.	Indian importers often prefer small initial orders to test demand, while many U.S. companies prefer larger-volume sales.
U.S. agricultural products have a strong reputation for quality, traceability, and food safety.	FSSAI regulations require strict labeling compliance, specific font sizes, and a minimum 60 percent remaining shelf-life upon port arrival.

Retail Sales by Channel

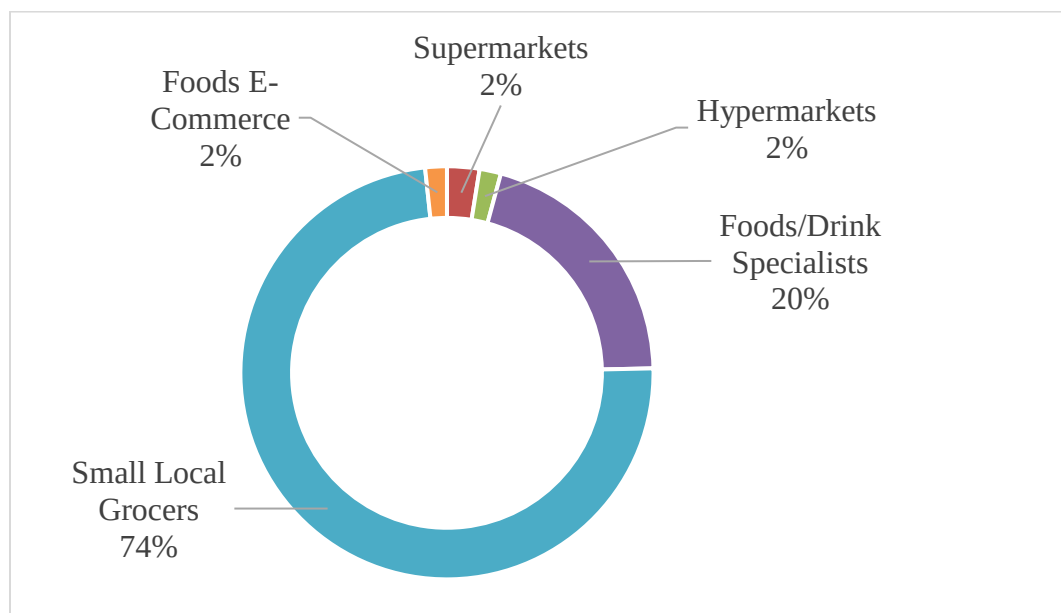


Chart 2: Retail Market by Channel 2025

Section 2: Road Map for Market Entry

Entry Strategy

- **Can your product enter India and comply with local laws?**
 - Conduct due diligence before exporting and determine if your product has market access.
 - Review FAS GAIN policy and market reports, specific custom duties, and sanitary requirements.

- Consider engaging with State and Regional Trade Groups to identify opportunities while crafting effective market entry and development strategies. This will help to better understand trade challenges and navigate the regulatory environment.

➤ **Find the Right Partner**

- Find a reliable importer/distributor for retail, food service, or food processing sector.
- Consider participating in an in-country trade show to identify key importers/distributors/partners.
- Consider partnering with U.S. Cooperators for promotional activities, such as cooking demonstrations, health-focused talks, and culinary seminars at colleges to increase market awareness and penetration.

➤ **Secure Payment Terms**

- U.S. suppliers or exporters may wish to consider vehicles such as an irrevocable Letter of Credit (L/C), advance payment, and or payment at sight.
- FAS India offices do not have the authority to mediate contractual disputes or serve as a collection agent when differences over payment or other commercial issues arise.

Market Structure:

India's retail market is becoming increasingly omnichannel, with modern trade, e-commerce and quick commerce developing alongside traditional retail. U.S. consumer-oriented food products typically flow from the U.S. exporter/grower to an Indian importer, then to national or regional distributors, and finally into modern retail, e-commerce/quick-commerce platforms, and traditional kirana wholesale networks in parallel. Distributors frequently supply both organized retail and the informal wholesale ("cash and carry") layer that restocks kirana stores.

Quick-commerce companies are increasingly moving into premium and gourmet grocery, creating a new channel for imported foods.

- Blinkit Gourmet - premium/gourmet assortment
- Zepto Select - premium grocery expansion
- Flipkart Minutes - entered gourmet grocery and launched its Pykd private label
- Amazon Now/Gourmet offerings - expanding premium grocery online

This shift is significant for U.S. products because premium imported foods can be targeted to affluent consumers through digital storefronts without requiring extensive physical distribution. Quick commerce is also becoming a broader grocery channel rather than simply a top-up service. As per reports, grocery remains the strongest repeat-purchase category, with dairy and sweet snacks particularly prominent.

Alternative structures are increasingly common for premium and niche products: direct listing on Amazon India or Flipkart through a registered importer-of-record, or direct supply agreements with a single premium retailer such as Nature's Basket or Lulu Hypermarket. These arrangements bypass broader distributor networks in exchange for lower volume and higher margin per unit.

U.S. exporters and Indian importers commonly connect at major food and beverage trade shows in India and abroad, including AAHAR in New Delhi, Anuga Select India, SIAL India, SIAL Paris, Gulfood in Dubai, the Summer Fancy Food Show in New York, the Sweets & Snacks Expo in Indianapolis, and the National Restaurant Association Show in Chicago, as well as other international and regional food trade events.

Company Profiles & Top Host Country Retailers

Category	Major Retailers / Platforms
Modern Retail	<u>Reliance Retail</u> ; <u>DMart</u> ; <u>Star Bazaar</u> ; <u>Spencer's Retail</u> ; <u>More Retail</u> ; <u>SPAR India</u>
E-Commerce / Online Grocery	<u>BigBasket</u> ; <u>JioMart</u> ; <u>Amazon India</u> ; <u>Flipkart</u>
Quick Commerce	<u>Blinkit</u> ; <u>Zepto</u> ; <u>Swiggy Instamart</u> ; <u>BigBasket Now</u>
Premium / Gourmet Retail	<u>Nature's Basket</u> ; <u>Food Square</u> ; <u>Foodstories</u> ; <u>Spencer's Gourmet</u> ; <u>Reliance Freshpik</u>
Regional / Premium Retailers	<u>Magsons</u> ; <u>Lulu Hypermarket India</u> ; <u>Ratnadeep</u>

Import Procedures

Laws regulating imports of food and agricultural products fall under the jurisdiction of multiple government authorities (see, [GAIN-INDIA | IN2025-0068 | Food and Agricultural Import Regulations and Standards \(FAIRS\) Country Report Annual– 2025](#), and FSSAI [Food Import Clearance Manual](#)).

Distribution Channels

Imported products generally enter India through an Indian importer, who clears the shipment and stores the products or sends them to a distributor. The distributor then supplies modern retailers, regional stores, wholesalers, food processors, or foodservice buyers. For packaged foods and beverages, importers often warehouse products near major ports (e.g., Mumbai, Nhava Sheva, Chennai) and then ship to regional distribution centers or directly to chains' distribution hubs. Fresh products such as apples, cherries, and berries may require specialized importers and cold-chain distributors.

Quick commerce adds a fulfillment step:

U.S. exporter/grower → Indian importer/distributor → platform or retail partner → dark store/fulfillment center → consumer.

Digital platforms such as Blinkit, Zepto, and Swiggy Instamart stock fast-moving products close to consumers. Amazon and Flipkart generally use marketplace sellers, fulfillment centers, or

seller warehouses rather than relying only on dark stores. Quick commerce can work well for smaller packs, snacks, beverages, specialty foods, and other products suited to frequent purchases.

Sector Trends

1. Growing demand for high-protein snacks and everyday foods, including protein bars, noodles, cereals, nuts, seeds, and protein versions of traditional foods such as laddu.
2. Growing interest in functional beverages focused on gut health, hydration, energy, immunity, and wellness, along with emerging demand for alcohol-free and zero-proof drinks.
3. E-commerce and quick commerce are expanding access to premium, gourmet, imported, and specialty foods.
4. Food and grocery consumption is expanding beyond major metropolitan areas, supported by rising incomes and wider digital retail access in Tier II and Tier III cities.
5. Demand is growing for smaller, affordable pack sizes as consumers balance premium purchases with price sensitivity.
6. Retailers and quick-commerce platforms are expanding private-label offerings, increasing competition across packaged food and beverage categories.

Strategic Implications for U.S. Exporters

U.S. exporters should increasingly adopt a multi-channel strategy combining premium retail, e-commerce, quick commerce and foodservice. Key approaches include:

1. Partner with premium retailers and digital grocery platforms.
2. Promote protein, wellness, natural ingredients and quality.
3. Use smaller/trial packs where appropriate to address price sensitivity.
4. Use festive seasons to promote nuts, dried fruits, berries, snacks and specialty foods.
5. Develop Indian recipes and localized digital content using U.S. ingredients.
6. Monitor international retail entrants such as Carrefour and expansion by LuLu and other premium retailers.
7. Explore quick-commerce platforms as a channel for premium U.S. products.

Section 3: Competition

The United States remains a leading supplier of consumer-oriented agricultural products to India, with a particularly strong position in tree nuts. India imported about \$4.2 billion in tree nuts in 2025, including about \$1.3 billion from the United States. The United States is highly competitive in almonds and pistachios, while Iran, Afghanistan, Chile, and other suppliers compete strongly in selected nut categories. Emerging demand for more exotic nuts, including Brazil nuts and macadamia nuts, is creating additional competition from suppliers outside the traditional U.S. market.

Fresh fruit has a more competitive supply structure. India imported about \$770 million of fresh fruit in 2025, while U.S. exports totaled about \$40 million. Iran, Turkey, South Africa, Afghanistan, Chile, and New Zealand compete strongly on price, seasonality, freight costs, and market access, while U.S. products compete mainly on quality and seasonal availability. In

processed foods, Thailand, Malaysia, Indonesia, Singapore, the European Union, the United Arab Emirates, and domestic Indian companies compete across sauces, snacks, confectionery, beverages, and breakfast products. The United Kingdom also holds a stronger competitive position in distilled spirits following the 2025 U.K.-India trade agreement, which provides Scotch whisky and gin a staged reduction in Indian tariffs.

Section 4: Best Product Prospects

Top Consumer-Oriented Products Imported from the World

Description	Import Value (\$ Million)
Cashew Nuts, Fresh or Dried, In Shell	2,114
Almonds, Fresh or Dried, In Shell	1,296
Distilled spirits -Whiskies	449
Apples fresh	375
Dates fresh or dried	318

Top Consumer-Oriented Products Imported from the United States

Description	Import Value (\$ Million)
Almonds, Fresh or Dried, In Shell	1,172
Pistachios, Fresh or Dried, In Shell	107
Milk Albumin, Including Concentrates of Two Or More Whey Proteins	64
Apples, Fresh	37
Walnuts, Fresh Or Dried, In Shell	18

Products Present in Market with Good Sales Potential

1. **Pasta:** Well established in India and with demand growing of urban consumers it is adopted for more convenient and international foods. Italian brands compete with growing domestic production and other imported products.
2. **Specialty sauces and condiments:** Indian consumers show greater interest in global flavors, premium sauces, and convenient cooking products. Demand is strongest in major cities and is increasingly supported by e-commerce and quick commerce.
3. **Premium chocolates:** Premium chocolate continues to benefit from gifting, celebrations, and growing demand for imported products. Belgium, Switzerland, Italy, and Singapore remain important competing suppliers.
4. **Premium protein snacks and bars:** Health and fitness trends are increasing demand for protein bars, nuts, seeds, and other high-protein snacks. Domestic brands and suppliers from the U.A.E., Thailand, and Singapore are expanding their presence.
5. **Breakfast cereals, granola, and oats:** Urban consumers show greater interest in convenient breakfast products. Domestic brands and suppliers from the U.K., Australia, and U.A.E. compete in this growing segment.

Products Not Present in Market with Good Sales Potential

1. **Premium seafood:** High-end Japanese restaurants are driving growing demand for specialty seafood such as surimi, creating a small niche market.
2. **Pet food:** Rising pet ownership and greater spending on pet care are increasing demand for premium and specialized pet foods. Thailand, Italy, and South Africa are established suppliers in the Indian market.
3. **Health care and nutraceutical products:** Growing interest in wellness, functional foods, dietary supplements, and products supporting immunity, gut health, and active lifestyles is creating opportunities for premium health and nutraceutical products.

Product Not Present in Market due to Significant Barriers

Several high-demand food categories remain largely absent from the Indian market because of trade and regulatory barriers. There has been no significant change to these market-access barriers under the February 2026 interim trade framework.

1. **Dairy products:** Dairy faces particularly stringent import requirements, including veterinary certification and requirements for U.S. manufacturing facilities. These conditions limit access for many U.S. dairy products despite potential demand in retail, food processing, and foodservice.
2. **Beef, pork, and other animal-origin products:** Imports remain prohibited for cultural and religious reasons. Certain sheep and goat products also face sanitary and regulatory restrictions that can limit market access for U.S. suppliers.

Section 5: Key Contacts and Further Information

Government Data Sources

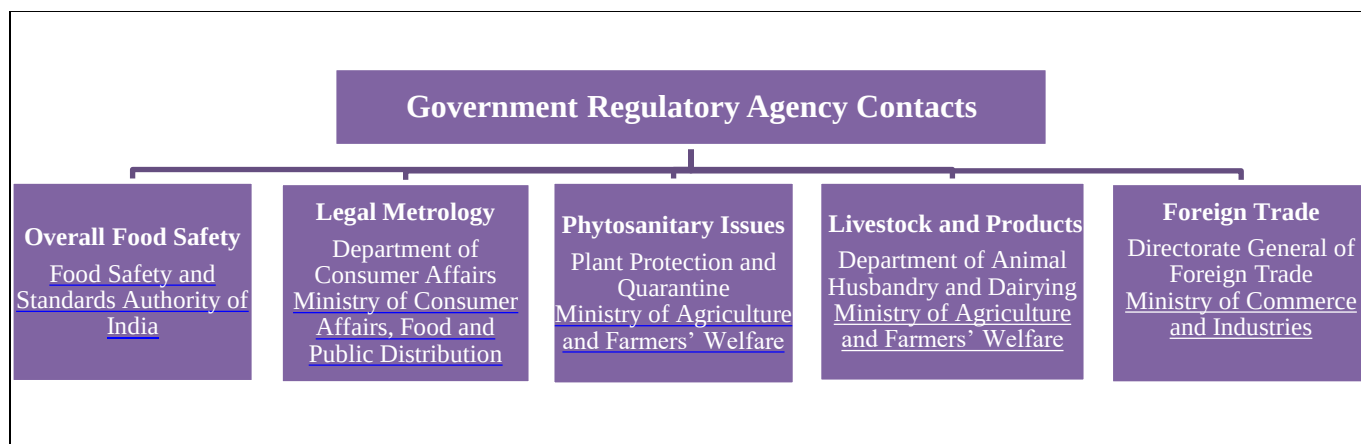
Ministry of Food Processing Industries

Legal Metrology (Weights and Measures)

The Food Safety and Standards Authority of India (Food Regulations)

Ministry of Commerce and Industry (Trade)

Ministry and Regulatory Agency Contacts for Food Import Policies



Trade Associations

Federation of Indian Chambers of Commerce and Industry

Confederation of Indian Industry

U.S. exporters who desire information about consultants conducting market research and handling inquiries into Indian agriculture, agribusiness, food retail, food/agricultural economics, and rural affairs may refer to FAS India - Agricultural and Agribusiness Consultants in India.

Foreign Agricultural Service

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For additional information please visit:

- FAS Homepage
- FAS India – Food Processing Ingredients
- FAS India - Exporter Guide
- FAS India - Retail Foods
- FAS India - Food Service-Hotel Restaurant Institutional

Attachments:

No Attachments